

Message Text

UNCLASSIFIED

PAGE 01 STATE 063554
ORIGIN EB-08

INFO OCT-01 AF-10 ARA-14 EUR-12 EA-12 IO-14 ISO-00
GSA-02 SSO-00 NSCE-00 USIE-00 INRE-00 AGRE-00
CEA-01 CIAE-00 COME-00 DODE-00 FRB-01 H-02 INR-10
INT-05 L-03 LAB-04 NSAE-00 PA-02 CTME-00 AID-05
SS-15 STR-07 ITC-01 TRSE-00 SP-02 SOE-02 OMB-01
DOE-11 /145 R

\$RAFTED BY EB/ISM:WCLENAHAN:JMA
APPROVED BY EB/ISM:RMOGDEN
-----090893 131842Z /53

O 131520Z MAR 78
FM SECSTATE WASHDC
TO AMEMBASSY LA PAZ IMMEDIATE
AMEMBASSY BANGKOK PRIORITY
AMEMBASSY CANBERRA PRIORITY
AMEMBASSY JAKARTA PRIORITY
AMEMBASSY KINSHASHA PRIORITY
AMEMBASSY KUALA LUMPUR PRIORITY
AMEMBASSY LAGOS PRIORITY
AMEMBASSY LONDON PRIORITY
USMISSION GENEVA PRIORITY
AMEMBASSY PARIS PRIORITY
AMEMBASSY BELGRADE PRIORITY
AMEMBASSY BERN PRIORITY
AMEMBASSY BRASILIA PRIORITY
AMEMBASSY BRUSSELS PRIORITY
AMEMBASSY BUENOS AIRES PRIORITY
AMEMBASSY HELSINKI PRIORITY
AMEMBASSY LIMA PRIORITY
AMEMBASSY LUSAKA PRIORITY
AMEMBASSY MADRID PRIORITY
AMEMBASSY MANILA PRIORITY
AMEMBASSY MEXICO PRIORITY
AMEMBASSY MOSCOW PRIORITY
AMEMBASSY OSLO PRIORITY
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 063554

AMEMBASSY PORT MORESBY PRIORITY
AMEMBASSY SANTIAGO PRIORITY
AMEMBASSY STOCKHOLM PRIORITY
AMEMBASSY WARSAW PRIORITY
USLO PEKING PRIORITY

UNCLAS STATE 063554

E.O. 11652: N/A

TAGS: EMIN, ITC, GSA

SUBJECT: THE UDALL-DECONCINI BILL

REF: STATE 58800, LA PAZ 1965

1. THERE FOLLOWS FULL TEXTS OF THE UDALL-DECONCINI BILL AS INTRODUCED YESTERDAY BY SENATOR DECONCINI AND THE PRESS RELEASE ISSUED YESTERDAY JOINTLY BY UDALL AND DECONCINI.

2. THE BILL: "S -----, A BILL TO AUTHORIZE THE DISPOSAL OF UP TO 45,000 LONG TONS OF TIN FROM THE NATIONAL STOCKPILE AND THE SUPPLEMENTAL STOCKPILE AND TO UTILIZE A PORTION OF SUCH TIN, OR THE PROCEEDS FROM THE SALE THEREOF, TO OBTAIN UP TO 225,000 SHORT TONS OF COPPER FOR THE NATIONAL STOCKPILE, AND FOR OTHER PURPOSES.

BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED, THAT NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE ADMINISTRATOR OF GENERAL SERVICES IS HEREBY AUTHORIZED TO DISPOSE OF, BY NEGOTIATION OR OTHERWISE, UP TO 45,000 LONG TONS OF UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 063554

TIN NOW HELD IN THE NATIONAL STOCKPILE ESTABLISHED PURSUANT TO THE STRATEGIC AND CRITICAL MATERIALS STOCK PILING ACT (50 U.S. C. 98-98H) AND THE SUPPLEMENTAL STOCKPILE ESTABLISHED PURSUANT TO SECTION 104 (B) OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954 (68 STAT. 456, AS AMENDED BY 73 STAT.607).

SEC. 2. (A) SUBJECT TO THE PROVISIONS OF SUBSECTION (B), UP TO 26,000 LONG TONS OF THE TIN AUTHORIZED TO BE DISPOSED OF UNDER THIS ACT, OR THE PROCEEDS FROM THE SALE THEREOF, SHALL BE USED TO OBTAIN A QUANTITY OF COPPER UP TO 225,000 SHORT TONS.

(B) (1) THE PROCEEDS FROM THE SALE OF THE FIRST 5,000 LONG TONS OF TIN SOLD UNDER AUTHORITY OF THIS ACT IN FISCAL YEAR 1978 AND THE PROCEEDS FROM THE SALE OF THE FIRST 10,000 LONG TONS OF SUCH TIN SOLD IN FISCAL YEAR 1979 SHALL BE COVERED INTO THE TREASURY AS MISCELLANEOUS RECEIPTS.

(2) FOUR THOUSAND LONG TONS OF TIN AUTHORIZED TO BE DISPOSED OF UNDER AUTHORITY OF THIS ACT, OR THE PROCEEDS

FROM THE SALE THEREOF, SHALL BE USED TO PURCHASE STRATEGIC AND CRITICAL MATERIALS WHICH ARE NEEDED ON A PRIORITY BASIS TO MEET STOCKPILE GOALS ESTABLISHED UNDER SECTION 2 OF THE STRATEGIC AND CRITICAL MATERIALS STOCK PILING ACT (50 U.S.C. 98A).

(C) THE ADMINISTRATOR OF GENERAL SERVICES IS AUTHORIZED TO USE ANY QUANTITY OF TUNGSTEN, OR THE PROCEEDS FROM THE SALE THEREOF, WHICH IS AVAILABLE FOR DISPOSAL UNDER THE PROVISIONS OF PUBLIC LAW 91-325 OR THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED, TO AID IN THE ACQUISITION OF THE QUANTITY OF COPPER REFERRED TO IN SUBSECTION (A) OF THIS SECTION, EXCEPT THAT (1) PROCEEDS FROM THE SALE OF THE FIRST 3,000,000 POUNDS OF SUCH TUNGSTEN DISPOSED OF IN UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STATE 063554

FISCAL YEAR 1978, AND (2) PROCEEDS FROM THE SALE OF THE FIRST 3,000,000 POUNDS OF SUCH TUNGSTEN DISPOSED OF IN FISCAL YEAR 1979 MAY NOT BE USED FOR SUCH PURPOSE.

(D) COPPER OBTAINED UNDER AUTHORITY OF THIS ACT SHALL BE ADDED TO AND MADE A PART OF THE NATIONAL STOCKPILE REFERRED TO IN THE FIRST SECTION OF THIS ACT.

SEC.3 THE TIME AND METHOD OF TIN DISPOSALS MADE UNDER AUTHORITY OF THIS ACT SHALL BE FIXED WITH DUE REGARD TO THE PROTECTION OF THE UNITED STATES AGAINST AVOIDABLE LOSS AND THE PROTECTION OF PRODUCERS, PROCESSORS, AND CONSUMERS AGAINST AVOIDABLE DISRUPTION OF THEIR USUAL MARKETS."

3. THE PRESS RELEASE: " WASHINGTON -- SEN.DENNIS DECONCINI AND REP. MORRIS K. UDALL HELD A JOINT PRESS CONFERENCE IN WASHINGTON THIS MORNING TO ANNOUNCE THAT THE CARTER ADMINISTRATION HAS GIVEN ITS FULL AND UNQUALIFIED ENDORSEMENT TO THEIR LEGISLATION ON COPPER STOCKPILING. THEIR BILL PROVIDES FOR THE PURCHASE BY THE UNITED STATES GOVERNMENT OF ALMOST A QUARTER OF A MILLION TONS OF COPPER OVER THE NEXT 12 TO 18 MONTHS.

DECONCINI AND UDALL HAVE BEEN WORKING FOR SEVERAL MONTHS TO PERSUADE THE ADMINISTRATION TO ASSIST ARIZONA AND OTHER WESTERN STATES THAT HAVE BEEN AFFECTED BY THE COPPER CRISIS. LATER TODAY, THEY WILL INTRODUCE IDENTICAL BILLS IN THE SENATE AND THE HOUSE TO IMPLEMENT THE GOALS OF THE PREVIOUS ADMINISTRATION FOR COPPER STOCKPILING.

"I DO NOT VIEW THIS LEGISLATION AS THE DEFINITIVE ANSWER TO THE COPPER PROBLEM" DECONCINI SAID. "I DO BELIEVE, UNCLASSIFIED

UNCLASSIFIED

PAGE 05 STATE 063554

HOWEVER, THAT IT IS AN EXTREMELY IMPORTANT AND SIGNIFICANT STEP ON THE ROAD TO RECOVERY FOR THE EMBATTLED COPPER INDUSTRY."

LAST OCTOBER, DECONCINI ASKED PRESIDENT CARTER TO LOOK INTO THE CONCEPT OF STOCKPILING AS A SOLUTION TO THE GROWING CRISIS IN AMERICA'S COPPER INDUSTRY. CARTER ESTABLISHED A SPECIAL TASK FORCE UNDER THE DIRECTION OF HIS DOMESTIC ADVISER, STU EIZENSTAT, TO REVIEW DECONCINI'S STOCKPILE SUGGESTION. AS A RESULT OF THE TASK FORCE STUDY, THE ADMINISTRATION HAS REAFFIRMED THE 1.2 MILLION TON STOCKPILE GOAL FOR COPPER THAT WAS ESTABLISHED DURING THE FORD ADMINISTRATION.

THE FUNDS TO MAKE THIS PURCHASE WILL BE OBTAINED THROUGH THE SALE OF EXCESS TIN AND TUNGSTEN FROM EXISTING STOCKPILES. TIN AND TUNGSTEN ARE BOTH IN OVERSUPPLY IN THE STOCKPILE. THE MARKET FOR BOTH THESE PRODUCTS IS EXTREMELY GOOD, PRICES BEING HIGHER THAN THEY HAVE BEEN IN YEARS. COPPER, ON THE OTHER HAND, CAN BE PURCHASED AT PRACTICALLY A RECORD LOW PRICE PER POUND.

THE LEGISLATION CONTAINS PROVISIONS TO INSURE THAT THE SALE OF TIN AND TUNGSTEN WILL PROCEED IN SUCH A MANNER SO AS NOT TO DISRUPT EITHER OF THOSE MARKETS. VANCE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TIN, LEGISLATIVE BILLS, STOCKPILE DISPOSAL
Control Number: n/a
Copy: SINGLE
Draft Date: 13 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE063554
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780111-0946
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780375/aaaackn.tel
Line Count: 200
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ce4374c8-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 STATE 58800, 78 LA PAZ 1965
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3351205
Secure: OPEN
Status: NATIVE
Subject: THE UDALL-DECONCINI BILL
TAGS: EMIN, US, ITC, GSA
To: LA PAZ BANGKOK MULTIPLE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/ce4374c8-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014